

Dr. MARLAND. We are speaking of the first year, 1965?

Mr. ERLNBORN. That is right.

Dr. MARLAND. The authorization was in October. The preliminary guidelines from the Office of Education were immediately received in October. The final guidelines were received in December.

The project approval, which we have to motivate and process up to State level was received in February. The money was received in April.

Mr. ERLNBORN. When, under this timetable, were you able to actually say that you had a plan, that you had a program, and you could hire personnel?

Dr. MARLAND. We have been a little more daring, perhaps is the word, than some in Pittsburgh, because we have had faith in this program and we have gone out and hired people with limited assurance that the program would be in motion. We have had the approval of our boards of education that they would somehow find ways to protect the program.

As I mentioned, we borrowed money this year, locally, to maintain these programs. I would say that typically we have been able, in anticipation of the likelihood of legislation to hire people, but generally at about 50 percent of the ultimate level of expectation so as to be cautious. Many school systems have not moved an inch until they had the money in their pocket.

Mr. ERLNBORN. Many cannot afford to; is that right?

Dr. MARLAND. We can't afford to. If we don't get the 85-percent funding that we are now expecting to get, we will just have to go into a deficit condition this year. So we don't have the money. But I would say that we are moving on faith more than many communities will. Many boards of education would not think it prudent to launch a program and hire people until they had the money in the bank.

Mr. ERLNBORN. When you say you might go into a deficit situation, what this really means, then, is that you are taking funds from your regular educational program and using them in title I projects.

Dr. MARLAND. Exactly. And we have even run out of those funds now in terms of our income rate, the tax collection rate, so we have had to go out and borrow money to maintain these Federal programs above and beyond what we could borrow from ourselves.

Mr. ERLNBORN. Did you have such a surplus in your regular educational program that you could afford to do this?

Dr. MARLAND. No. I say we have to go out and borrow money to do it. We don't have any kind of a surplus. We have a \$50 million budget in our local appropriation, of which less than \$200,000 would be in an unallocated category.

Mr. ERLNBORN. Now let's get into the second year, or the first full year of operation, into 1966. At what time were you notified of the approval of your project and the amount of funds that you might expect?

Dr. MARLAND. The appropriation bill was signed in November. The tentative allocations to the States were made in February from the U.S. Office of Education. By the time we worked our programs through the State, and we had our programs tentatively approved in the State so we were ready to go subject to funding—and this is the